

RQ-2

November 27, 2012

JAN CHURCHILL, TREASURER NEVADA STATE DEMOCRATIC PARTY 409 HORN STREET LAS VEGAS, NV 89107

Response Due Date 01/02/2013

IDENTIFICATION NUMBER: C00208991

REFERENCE: AUGUST MONTHLY REPORT (07/01/2012 - 07/31/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 3 item(s):

1. Schedule B supporting Line 29 discloses \$10,000 in transfers to what appears to be a non-federal account of your committee. Please provide further clarification regarding this transfer to your non-federal account.

You are advised that 11 CFR §102.5 prohibits a non federal account from financing activity in connection with federal elections. If any of these disbursements were made to influence the election or defeat of specific federal candidates, the disbursements should be allocated accordingly and disclosed as either in kind contributions on Schedule B supporting Line 23, independent expenditures on Schedule E supporting Line 24, or as coordinated expenditures on Schedule F supporting Line 25. (11 CFR §§104.3(b)(3) and 106.1) In addition, if your non federal account has paid any expenditures which should have been allocated, you are advised to correct any non compliance with 11 CFR §§106.6 and 106.7 and establish procedures to insure future compliance with allocation regulations.

- 2. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following descriptions: "Accomplishment cards," "Commitment card," and "Voter registration activities." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).
- 3. Schedule A supporting Line 12 discloses transfers-in from "Democratic

NEVADA STATE DEMOCRATIC PARTY

Page 2 of 3

National Committee," Democratic Congressional Campaign Committee," and "Democratic Senatorial Campaign Committee." Schedule B supporting Line 30(b) reflects payments for "NV for Obama banners," "Posterboards," "Posters, buttons & stickers," "Stickers," "Stickers/LBGT," "Walking Piece," "Women for Obama banner," and "Women for Obama Stickers." Please be advised that a state or local party committee may pay for campaign materials (such as pins, posters, bumper stickers and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and for voter drive activity conducted on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate. Please amend your report or provide clarifying information.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1148.

NEVADA STATE DEMOCRATIC PARTY

Page 3 of 3

Sincerely,

Quy Vuong

Senior Campaign Finance Analyst

Reports Analysis Division

232